

Component Units – Special Purpose Authorities

Special Purpose Authorities are legally separate entities that are discretely presented in the State's financial statements as component units in accordance with GASB Statement No. 14. The authorities' inclusion in the State's general purpose financial statements reflects the State's financial accountability for these entities. A brief description of the major authorities follows:

State Compensation Insurance Fund is a component unit created to offer insurance protection to employers at the lowest possible cost. This information is as of and for the year ended December 31, 1998.

The **California Housing Finance Agency** was created for the purpose of meeting the housing needs of persons and families of low and moderate income.

Other **Non-Major Component Units** provide certain services outside the State and provide certain private and public entities with a low-cost source of financing for activities that are deemed to be in the public interest.

The *California Alternative Energy and Advanced Transportation Financing Authority* was created to provide financing for the alternative energy and advanced transportation technologies.

The *California Infrastructure and Economic Development Bank* provides financing of an interconnected system of public improvements, business development, and public infrastructure projects.

The *California Pollution Control Financing Authority* was created to provide financing for pollution control facilities.

The *California Health Facilities Financing Authority* was created to provide financing for the construction, equipping, or acquiring of health facilities.

The *California Educational Facilities Authority* was created for the purpose of issuing revenue bonds to assist private educational institutions of higher learning in the expansion and construction of educational facilities.

The *California School Finance Authority* was created for the purpose of providing loans to school and community college districts to assist in obtaining equipment and facilities.

District Agricultural Associations were created for the purpose of exhibiting all of the industries, industrial enterprises, resources, and products of the State.

The *San Joaquin River Conservancy* was created for the purpose of acquiring and managing public lands within the San Joaquin River Parkway.

The *California Urban Waterfront Area Restoration Financing Authority* was created to provide financing for coastal and inland urban waterfront restoration projects.

Component Units – Special Purpose Authorities Combining Balance Sheet

June 30, 1999

(Amounts in thousands)

	State Compensation Insurance Fund	California Housing Finance Agency	California Alternative Energy and Advanced Transportation Financing Authority	California Infrastructure and Economic Development Bank
ASSETS				
Cash and pooled investments.....	\$ 416,622	\$ 393,287	\$ 156	\$ 51,908
Investments.....	6,353,957	1,212,674	—	—
Receivables (net).....	254,226	72,439	5	—
Due from primary government.....	—	—	—	1,357
Prepaid items.....	—	235	—	—
Advances and loans receivable.....	—	5,153,597	—	—
Deferred charges.....	15,682	46,379	—	—
Fixed assets.....	223,372	—	—	—
Other assets.....	822,446	22,515	—	—
Total Assets.....	\$ 8,086,305	\$ 6,901,126	\$ 161	\$ 53,265
LIABILITIES				
Accounts payable.....	\$ —	\$ 9,481	\$ 4	\$ 335
Due to other governments.....	—	7,996	—	—
Dividends payable.....	245,763	—	—	—
Benefits payable.....	4,905,961	—	—	—
Deposits.....	—	109,268	—	427
Contracts and notes payable.....	—	—	—	—
Compensated absences payable.....	25,757	1,141	—	—
Capital lease obligations.....	—	—	—	—
Advance collections.....	112,083	67,620	—	—
Revenue bonds payable.....	—	5,902,315	—	—
Interest payable.....	—	138,522	—	—
Other liabilities.....	879,636	456	—	—
Total Liabilities.....	6,169,200	6,236,799	4	762
FUND EQUITY				
Contributed capital.....	—	—	—	—
Retained Earnings				
Reserved for regulatory requirements.....	—	592,099	—	—
Unreserved.....	1,917,105	72,228	157	52,503
Total Retained Earnings.....	1,917,105	664,327	157	52,503
Total Fund Equity.....	1,917,105	664,327	157	52,503
Total Liabilities and Fund Equity.....	\$ 8,086,305	\$ 6,901,126	\$ 161	\$ 53,265

Non-Major Component Units							
California Pollution Control Financing Authority	California Health Facilities Financing Authority	California Educational Facilities Authority	California School Finance Authority	District Agricultural Associations	San Joaquin River Conservancy	California Urban Waterfront Area Restoration Financing Authority	Total
\$ 59,740	\$ 15,576	\$ 13,041	\$ 548	\$ 38,858	\$ 245	\$ 126	\$ 990,107
—	—	48,208	—	14,145	—	—	7,628,984
3	340	8,922	17	2,688	—	3	338,643
1,595	440	341	—	—	—	—	3,733
22	19	59	—	—	—	—	335
—	—	—	—	—	—	—	5,153,597
—	—	1,284	—	20	—	—	63,365
6	17	—	—	309,735	—	—	533,130
—	—	—	—	2,405	—	—	847,366
\$ 61,366	\$ 16,392	\$ 71,855	\$ 565	\$ 367,851	\$ 245	\$ 129	\$ 15,559,260
\$ 115	\$ 56	\$ 1,221	\$ 7	\$ 4,260	\$ 2	\$ —	\$ 15,481
—	—	—	—	—	—	—	7,996
—	—	—	—	—	—	—	245,763
—	—	—	—	—	—	—	4,905,961
—	—	—	—	500	—	—	110,195
—	—	—	—	4,056	—	—	4,056
—	—	33	—	2,727	—	—	29,658
—	—	—	—	110	—	—	110
—	—	—	—	920	243	—	180,866
—	—	55,260	—	43,791	—	—	6,001,366
—	—	—	—	1,018	—	—	139,540
—	—	609	—	2,550	—	—	883,251
115	56	57,123	7	59,932	245	—	12,524,243
—	—	—	—	109	—	—	109
—	—	—	—	—	—	—	592,099
61,251	16,336	14,732	558	307,810	—	129	2,442,809
61,251	16,336	14,732	558	307,810	—	129	3,034,908
61,251	16,336	14,732	558	307,919	—	129	3,035,017
\$ 61,366	\$ 16,392	\$ 71,855	\$ 565	\$ 367,851	\$ 245	\$ 129	\$ 15,559,260

Component Units – Special Purpose Authorities

Combining Statement of Revenues, Expenses, and Changes in Retained Earnings

Year End June 30, 1999

(Amounts in thousands)

	State Compensation Insurance Fund	California Housing Finance Agency	California Alternative Energy and Advanced Transportation Financing Authority	California Infrastructure and Economic Development Bank
OPERATING REVENUES				
Services and sales.....	\$ —	\$ 15,099	\$ —	\$ —
Earned premiums (net).....	1,211,115	—	—	—
Investment and interest.....	—	359,298	—	—
Contributions.....	—	—	—	—
Rent.....	—	—	—	—
Other.....	44,666	10,290	10	52,402
Total Operating Revenues.....	1,255,781	384,687	10	52,402
OPERATING EXPENSES				
Personal services.....	54,665	9,959	—	—
Services and charges.....	16,600	39,386	40	477
Depreciation.....	8,737	429	—	—
Benefit payments.....	1,444,727	—	—	—
Interest expense.....	—	357,512	—	—
Amortization of deferred charges.....	165,668	1,839	—	—
Total Operating Expenses.....	1,690,397	409,125	40	477
Operating Income (Loss).....	(434,616)	(24,438)	(30)	51,925
NONOPERATING				
Grants received.....	—	70,291	—	—
Grants provided.....	—	(70,291)	—	—
Investment and interest income.....	581,379	83,718	—	—
Interest expense and fiscal charges.....	—	—	—	(73)
Dividends paid.....	(122,759)	—	—	—
Other.....	—	—	—	—
Total Nonoperating.....	458,620	83,718	—	(73)
Net Income (Loss).....	24,004	59,280	(30)	51,852
Retained Earnings, July 1, 1998.....	1,893,101	605,047	187	651
Retained Earnings, June 30, 1999.....	\$ 1,917,105	\$ 664,327	\$ 157	\$ 52,503

Non-Major Component Units							
California Pollution Control Financing Authority	California Health Facilities Financing Authority	California Educational Facilities Authority	California School Finance Authority	District Agricultural Associations	San Joaquin River Conservancy	California Urban Waterfront Area Restoration Financing Authority	Total
\$ 4,012	\$ 4,823	\$ 750	\$ —	\$ 104,081	\$ —	\$ —	\$ 128,765
—	—	—	—	—	—	—	1,211,115
—	—	—	—	1,765	—	—	361,063
—	—	—	—	2,740	—	—	2,740
—	—	—	—	20,744	—	—	20,744
—	—	—	45	—	—	992	108,405
4,012	4,823	750	45	129,330	—	992	1,832,832
—	—	290	—	—	—	—	64,914
8,452	1,244	558	216	124,665	40	1	191,679
—	—	—	—	3,142	—	—	12,308
—	—	—	—	—	—	—	1,444,727
—	—	3,203	—	—	—	—	360,715
—	—	—	—	—	—	—	167,507
8,452	1,244	4,051	216	127,807	40	1	2,241,850
(4,440)	3,579	(3,301)	(171)	1,523	(40)	991	(409,018)
—	—	—	—	—	—	—	70,291
—	—	—	—	—	—	—	(70,291)
—	—	4,324	—	728	—	—	670,149
—	—	(160)	—	(2,894)	—	—	(3,127)
—	—	—	—	—	—	—	(122,759)
—	(5,271)	—	—	(26,038)	—	—	(31,309)
—	(5,271)	4,164	—	(28,204)	—	—	512,954
(4,440)	(1,692)	863	(171)	(26,681)	(40)	991	103,936
65,691	18,028	13,869	729	334,491	40	(862)	2,930,972
\$ 61,251	\$ 16,336	\$ 14,732	\$ 558	\$ 307,810	\$ —	\$ 129	\$ 3,034,908

Component Units – Special Purpose Authorities

Combining Statement of Cash Flows

Year Ended June 30, 1999

(Amounts in thousands)

	State Compensation Insurance Fund	California Housing Finance Agency	California Alternative Energy and Advanced Transportation Financing Authority	California Infrastructure and Economic Development Bank
CASH FLOWS FROM				
OPERATING ACTIVITIES				
Operating income (loss).....	\$ (434,616)	\$ (24,438)	\$ (30)	\$ 51,925
ADJUSTMENTS TO RECONCILE				
OPERATING INCOME (LOSS)				
TO NET CASH PROVIDED				
BY OPERATIONS				
Interest expense on operating debt.....	—	357,512	—	—
Depreciation.....	8,737	429	—	—
Accretion of capital appreciation bonds.....	—	8,896	—	—
Provisions and allowances.....	8,182	(1,240)	—	—
Accrual of deferred charges.....	(160,541)	(9,244)	—	—
Amortization of deferred credits.....	—	(5,624)	—	—
Amortization of discounts.....	—	6,852	—	—
Amortization of				
deferred charges.....	165,668	—	—	—
Purchase of program loans.....	—	(950,538)	—	—
Collection of principal				
from program loans.....	—	566,520	—	—
Other.....	4,165	—	—	—
Change in assets and liabilities				
Receivables.....	(21,825)	6,129	1	3
Due from primary government.....	—	—	—	(1,336)
Prepaid items.....	—	(29)	—	—
Other assets.....	23,788	2,786	—	—
Accounts payable.....	—	(6,231)	4	16
Due to other governments.....	—	(2,562)	—	—
Benefits payable.....	221,878	—	—	—
Deposits.....	—	61,042	—	294
Contracts and notes payable.....	—	—	—	—
Compensated absences payable	2,042	91	—	—
Capital lease obligations	—	—	—	—
Advance collections.....	(155)	525	—	—
Other liabilities.....	(15,446)	(1,522)	—	—
Total Adjustments.....	236,493	33,792	5	(1,023)
Net Cash Provided by (Used In)				
Operating Activities.....	(198,123)	9,354	(25)	50,902

Non-Major Component Units							
California Pollution Control Financing Authority	California Health Facilities Financing Authority	California Educational Facilities Authority	California School Finance Authority	District Agricultural Associations	San Joaquin River Conservancy	California Urban Waterfront Area Restoration Financing Authority	Total
\$ (4,440)	\$ 3,579	\$ (3,301)	\$ (171)	\$ 1,523	\$ (40)	\$ 991	\$ (409,018)
—	—	—	—	—	—	—	357,512
—	—	—	—	3,142	—	—	12,308
—	—	—	—	—	—	—	8,896
—	—	—	—	—	—	—	6,942
—	—	(24)	—	(20)	—	—	(169,829)
—	—	153	—	—	—	—	(5,471)
—	—	—	—	—	—	—	6,852
—	—	—	—	—	—	—	165,668
—	—	—	—	—	—	—	(950,538)
—	—	—	—	—	—	—	566,520
—	(5,271)	—	—	(26,038)	—	—	(27,144)
1,265	(92)	(5,340)	6	(273)	—	1	(20,125)
150	108	(91)	—	—	—	—	(1,169)
—	(1)	(41)	—	—	—	—	(71)
—	—	—	—	10,830	—	—	37,404
(50)	(63)	284	2	(287)	2	(1,023)	(7,346)
—	—	—	—	—	—	—	(2,562)
—	—	—	—	—	—	—	221,878
—	—	—	—	(410)	—	—	60,926
—	—	—	—	128	—	—	128
—	—	18	—	332	—	—	2,483
—	—	—	—	110	—	—	110
—	—	—	—	(80)	243	—	533
—	—	420	—	(10,293)	—	—	(26,841)
1,365	(5,319)	(4,621)	8	(22,859)	245	(1,022)	237,064
(3,075)	(1,740)	(7,922)	(163)	(21,336)	205	(31)	(171,954)

(Continued)

Component Units – Special Purpose Authorities

Combining Statement of Cash Flows

Year Ended June 30, 1999

(Amounts in thousands)

	State Compensation Insurance Fund	California Housing Finance Agency	California Alternative Energy and Advanced Transportation Financing Authority	California Infrastructure and Economic Development Bank
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Dividends paid.....	(81,938)	—	—	—
Proceeds from revenue bonds.....	—	1,185,357	—	—
Retirement of revenue bonds.....	—	(871,907)	—	—
Interest paid on operating debt.....	—	(356,303)	—	—
Grants provided.....	—	(70,291)	—	—
Net Cash Provided by (Used In)				
Noncapital Financing Activities.....	(81,938)	(113,144)	—	—
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of fixed assets.....	(13,193)	—	—	—
Proceeds from sale of fixed assets.....	—	—	—	—
Retirement of revenue bonds.....	—	—	—	—
Interest paid.....	—	—	—	(73)
Contributed capital.....	—	—	—	—
Grants received.....	—	70,291	—	—
Net Cash Provided by (Used In) Capital and Related Financing Activities.....	(13,193)	70,291	—	(73)
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of investments.....	(141,984)	(127,558)	—	—
Proceeds from maturity and sale of investments.....	—	217,514	—	—
Interest on investments.....	581,379	83,718	—	—
Net Cash Provided by (Used In)				
Investing Activities.....	439,395	173,674	—	—
Net Increase (Decrease) in				
Cash and Pooled Investments.....	146,141	140,175	(25)	50,829
Cash and Pooled Investments at July 1, 1998.....	270,481	253,112	181	1,079
Cash and Pooled Investments at June 30, 1999.....	\$ 416,622	\$ 393,287	\$ 156	\$ 51,908

Non-Major Component Units							
California Pollution Control Financing Authority	California Health Facilities Financing Authority	California Educational Facilities Authority	California School Finance Authority	District Agricultural Associations	San Joaquin River Conservancy	California Urban Waterfront Area Restoration Financing Authority	Total
—	—	—	—	—	—	—	(81,938)
—	—	—	—	—	—	—	1,185,357
—	—	—	—	—	—	—	(871,907)
—	—	—	—	—	—	—	(356,303)
—	—	—	—	—	—	—	(70,291)
—	—	—	—	—	—	—	(195,082)
(5)	—	—	—	(2,353)	—	—	(15,551)
—	3	—	—	36,695	—	—	36,698
—	—	—	—	(2,391)	—	—	(2,391)
—	—	—	—	(2,944)	—	—	(3,017)
—	—	—	—	10	—	—	10
—	—	—	—	—	—	—	70,291
(5)	3	—	—	29,017	—	—	86,040
—	—	—	—	(1,244)	—	—	(270,786)
—	—	4,766	—	—	—	—	222,280
—	—	4,164	—	728	—	—	669,989
—	—	8,930	—	(516)	—	—	621,483
(3,080)	(1,737)	1,008	(163)	7,165	205	(31)	340,487
62,820	17,313	12,033	711	31,693	40	157	649,620
\$ 59,740	\$ 15,576	\$ 13,041	\$ 548	\$ 38,858	\$ 245	\$ 126	\$ 990,107

(Concluded)